

**Commerce Cabinet
KENTUCKY HORSE PARK**

Proposed Projects Involving the State General Fund (cash or bonds)*

Priority	Cabinet	Agency	Project Title / Description	Total Budget
<u>2006-2008</u>				
2	1		Minor Capital Projects Maintenance Pool The Minor Capital Construction Projects Maintenance Pool is a vital resource that allows the Kentucky Horse Park to protect the Commonwealth's investment in the Park's infrastructure and be consistently well maintained and aesthetically pleasing. The Maintenance Pool in considered by management to be essential in order for the Park to fulfill its mission. It remains the Kentucky Horse Park's highest capital priority.	\$2,390,000
5	2		Construct New Indoor Arena The Kentucky Horse Park requests the funding for the construction of a new climate controlled, 200,000 sft indoor arena with seating for up to 6000 people. The new indoor arena will allow the Park to add equine events by expanding its show season and pursue leading national championship equine shows that it is unable to attract with its current facilities. In addition, the new indoor arena would allow the Park to compete with new equestrian facilities in neighboring states as well as offer a new venue for other medium sized special events.	\$33,423,000
6	3		Repair & Construction of Road/Parking Facilities The Kentucky Horse Park proposes to resurface, widen, and reseal the existing roads and Agency's parking facilities. This renovation is needed to protect the investment in the facility, increase safety, and improve traffic flow. In addition to road repair, this project proposes to construct a new service road, a new campground access road, both to improve traffic flow and safety as recommended in the Kentucky Horse Park's "Land Use and Circulation Plan 2002" submitted to the Capital Planning Advisory Board, as well as construct new roads and infrastructure to support planned capital improvements.	\$4,300,000
26	4		Design: Campground Expansion Phase "C" & Amphitheater This project is twofold. First: Design for the addition of up to 100 campsites and accompanying infrastructure and buildings to the Parks current campground. Phase "A" programming design for these 100 campsites was approved for \$50,000 and completed during the current biennium FY04-06. This proposed project would continue through phase "C" design work. The second part of this design project would complete through phase "C" design work on an amphitheater adjacent to these 100 new campsites. The campground expansion project proposes to add up to 100 new campsites, two bathhouses, store, and associated infrastructure to the existing campground to satisfy the high level of demand for the campground that gives rise to 100% occupancy during most of the summer weekends and to increase agency revenue and local economic impact. This project will also provide through phase "C" design on a 4000 seat amphitheater adjacent to the campground to attract entertainment events that currently do not have a permanent venue in which to perform at the Park. The amphitheater would increase Park revenue and local economic impact. The proposed amphitheater project will be a joint project between the Commonwealth and the Lexington-Fayette-Urban-County Government. The estimated cost of \$6.1 million will the split \$4.6 million paid by the Commonwealth and \$1.5 million covered by	\$1,000,000

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LFUCG, approximately a 75/25 split. LFUCG share of the costs will begin with the construction costs. Approximately \$500,000 of this \$1 million proposed design project will be allocated to the design of the amphitheater. The remaining \$500,000 will be allocated to the additional campground sites design.

27	5	Acquire Land	\$1,500,000
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This project requests funding for the acquisition of approximately 60 acres adjacent to the Kentucky Horse Park's campground fronting Iron Work Pike. The acquired land would be for recreational activities primarily associated with the Park's campground such as additional campsites, amphitheater, dog shows, trail rides, and other activities. The proposed 60 acres is not currently on the market. The most recent Master Plan discussed the recent acquisition of 192 acres adjacent to interstate 75 however this new request for 60 additional acres is not discussed in this Master Plan. Currently, no requests have been made to use the Finance and Administration Cabinet's Land Acquisition pool for the acquisition of this 60 acres although this option has not been ruled out.

2008-2010

Construct Amphitheater	\$6,100,000*
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This project will construct a 4000 seat amphitheater adjacent to the campground at the Kentucky Horse Park to attract entertainment events that currently do not have a permanent venue in which to perform at the Park and also to increase Park revenue. The amphitheater stage and adjacent seating would be covered with a shell structure and the remaining seating will be outdoors in a terraced, bowl shaped, surroundings. This would be a joint project between the Commonwealth and the Lexington-Fayette-Urban-County Government with a 75%/25% split, respectively, in construction costs, support costs, and revenue.

**Total budget includes Other-Private Funds of \$1,500,000*

Construct/Renovate Employee Housing	\$626,000
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The Kentucky Horse Park proposes to construct four new employee housing units to provide for operational efficiencies as well as an incentive to attract and retain qualified personnel to the Park. In addition, this project proposes to extensively renovate two of the three existing units in order to protect the investment in these facilities.

Expand Campground	\$6,425,000
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The campground expansion project proposes to add up to 100 new campsites, two bathhouses, store, and associated infrastructure to the existing campground. The high level of demand for the campground from individual campers and from the group market gives rise to 100% occupancy during most of the summer weekends. This project proposes to meet this demand by providing additional campsites which in turn will substantially increase agency revenue. The land earmarked for this expansion is owned by the Commonwealth, adjacent to the existing campground.

Expand/Renovate Covered Arena	\$16,107,000
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The Kentucky Horse Park proposes to expand and renovate the existing Covered Arena by extending the roof to cover the adjacent show ring and adjacent stabling, adding an upper level lounge to the north end of the arena, and renovate the current seating, concourse, and warm-up ring. The renovation is needed to protect the investment in the facility. The expansion is needed to increase the use and revenue of the facility by extending the show season all winter. Enhancing the facility and extending the season also has the important added benefit of helping the Kentucky

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Horse Park remain competitive in the equine show industry. The new roof covering the show ring and stalls would be approximately 156,000 sft.

Minor Capital Projects Maintenance Pool **\$3,022,000**

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Purchase Maintenance Equipment **\$1,318,000**

The Kentucky Horse Park is requesting funding to purchase a number of equipment and vehicles that will be used to protect the investment in the facilities. Some of the new items will replace aged items in poor condition and items that have broken-down and have not been replaced. Other requested items will be new items for which funding has not been available, as well as new items to replace items currently rented.

Renovate Big Barn/Construct Carriage Storage **\$1,875,000**

The purpose of this project is two-fold. First, the Big Barn facility is over 105 years old and requires extensive renovation to further the life of this historic Bluegrass structure. Secondly, this project proposes to retrofit the Big Barn to include a carriage storage/exhibition area. The carriage storage/exhibition area of the Big Barn will provide a new attraction for visitors as well as provide additional space to house the International Museum of the Horse's growing collection of horse drawn vehicles.

Renovate Race Track **\$650,000**

This project proposes to renovate the Kentucky Horse Park's historic race track. Built in 1890, this race track is one of the oldest extant race tracks in the Bluegrass. Renovations will include repairing the footing, drainage, fencing and slope of the race track. This work will preserve the investment in the facility as well as allow for new utilizations the current condition prevents. One such use is a training track for jockeys that will also have the added benefit of expanding the tourists' experience.

2010-2012

Construct Equine Event Stalls **\$3,171,000**

The Kentucky Horse Park proposes to construct four new barns housing 200 permanent horse stalls that will be rented during equine events. Because of the high regard the Park enjoys as an equine event facility, the Park's current 21 stall barns are completely rented during many events each year. This forces the placement of temporary, tent-covered stalls that rent for much less and are less appealing to the contestants. The four new stall barns will conservatively generate \$139,000 in additional revenue each year, with the potential of \$230,000 each year as new, larger horse shows are attracted to the Park. Each stall barn will be 250'X 40'. Each will have electricity with water supplied to a common area. The site is adjacent to the equine event area.

Construct Multipurpose Building **\$4,500,000**

The requested construction of a multi-purpose 20,000 sft. building addresses the need for a building on the Kentucky Horse Park to house special event functions. The Park currently has no permanent building to house medium to large revenue-generating activities such as conventions, receptions, seminars, weddings, and banquets. The

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demand for such a building to hold group functions is such that an average of three events are turned away each week because the lack of an adequate facility.

Expand/Renovate Breeds Barn **\$1,607,000**

The Breeds Barn is the site of the Kentucky Horse Park's leading live horse show, the "Parade of Breeds Show." Visitors are entertained twice daily by watching a narrated display of some of the Park's 40+ breeds of horses with music and riders in period costumes. This project proposes to improve this live horse show by providing an all weather viewing environment and increasing the horse show ring demonstration area for enhanced presentation. Expanding attractions on the Park is an essential ingredient in generating new and repeat business. Overall, the Breeds Barn will increase from 41,100 sft to approximately 52,000.

Minor Capital Projects Maintenance Pool **\$1,253,000**

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Renovate Campground Sites & Bathhouses **\$1,077,000**

The campground renovation project proposes to refurbish the showers, flooring, lighting, HVAC, and fixtures of the two existing bathhouses. In addition, the 260 campground sites will be refurbished with new picnic tables and pads, fire rings, and garbage cans. The natural aging and demands of constant use necessitates this investment in the renovation of the bathhouses and campsites facilities.

***Notes**

- Unless otherwise indicated, the total budget would be financed from the state General Fund (cash or bonds).
- Priority rankings were required to be assigned only to those projects proposed for 2006-08; projects for 2008-10 and 2010-12 are listed in alphabetical order.
- Descriptions are as provided in the "Brief Description and Justification" field of the agency's capital plan submission.

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Proposed Projects NOT Involving the State General Fund

<u>Project Title / Description</u>	<u>Total Budget</u>	<u>Source(s)</u>
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2006-2008

Construct Hotel/Conference Center	\$27,500,000	OT-P
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The Finance & Administration Cabinet, on behalf of the Kentucky Horse Park and the Commerce Cabinet, has issued a request for proposals (#S-04474325) on July 9, 2004 from private, third-party, developers who will develop, construct, operate, and maintain a hotel and associated facilities at the Kentucky Horse Park. One party has responded to the bid and currently negotiations are under way. This hotel will provide enhanced and expanded recreational activities at the Park and increase revenue to the Park through direct commissions and through increased visitation.

Construct Permanent Seating Stadium Jumping Area	\$1,100,000	OT-P
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This Permanent Seating Project will be funded entirely through donations to the Kentucky Horse Park Foundation. The permanent seating will replace and expand the current temporary bleachers that are becoming old and inadequate. This project proposes to meet the increasing demand for seating currently experienced by the ever more popular equine competition events.

2008-2010

Construct Service Area Stadium Jumping Complex	\$1,600,000	OT-P
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This project will construct a 7000 sft equine event service building with bathrooms, show offices, and food service as well as access roads, parking and landscaping. This project will be funded entirely through donations to the Kentucky Horse Park Foundation. The new Service Area for the Stadium Jumping Complex will improve significantly the traffic congestion and inadequate public services for this area as well as add a significant incentive for new equine shows to contract with the Kentucky Horse Park.

2010-2012

None

***Notes**

- Priority rankings were required to be assigned only to those projects proposed to be financed from the state General Fund (cash or bonds) in 2006-08; all other projects are listed in alphabetical order.
- Descriptions are as provided in the "Brief Description and Justification" field of the agency's capital plan submission.
- Sources: AB = Agency Bonds; FF = Federal Funds; RF = Restricted Funds; OT = Other Funds; TF = Road Fund